

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2214 - SB 2332

April 2, 2009

SUMMARY OF BILL: Requires a local health department with dental resources to refer an indigent adult with emergency dental needs to a licensed provider if the department cannot provide dental services and reimburse the provider at a rate that meets or exceeds the current TennCare dental fee schedule. If a local health department does not have dental resources, the department must provide emergency dental services for indigent adults through the private sector at a rate the meets or exceeds the current TennCare dental fee schedule.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$127,600/One-Time
\$11,754,200/Recurring**

Assumptions:

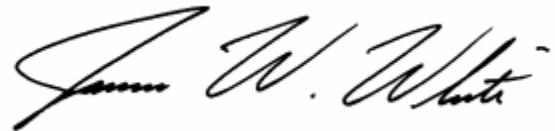
- In FY07-08, public health dental clinics saw a total of 5,812 adults. According to the Department of Health, more than 51,000 adults visited emergency rooms for dental related issues. The Department estimates that number would increase to 63,000 in 2009. The increase in emergency dental health patients at local health departments is 57,188 (63,000 – 5,812).
- The Department estimates that 35 percent, or 20,016, of patients will receive services in the six contracted metropolitan counties and the remaining 65 percent, or 37,172, will receive services in the 89 rural counties.
- It is assumed that all additional patients would receive services in the private sector.
- The bill requires the health departments to reimburse private providers at a rate that meets or exceeds the TennCare dental fee schedule. The Department estimates a TennCare reimbursement of \$107 and a private sector charge of \$206.57. The fiscal impact is based on an average payment of \$157.

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- Emergency dental services for the 89 rural health departments is estimated to increase expenditures by \$5,836,004 (37,172 x \$157).
- The Department of Health estimates that each regional health department will need two additional administrative assistants and the central office will need three additional administrative assistants.
- The 17 additional positions are estimated to increase recurring expenditures of \$1,158,789 which includes salaries (\$647,604), benefits (\$220,185), administrative allocation (\$134,300), communications and networking (\$25,800), office leases (\$69,700), travel (\$51,000), and supplies (\$10,200). There will be an increase in one-time expenditures of \$127,600 for computers (\$27,200), printers (\$1,700), and office set-up (\$98,700).
- The Department contracts with six metropolitan health departments. The Department estimates that the contracts will have to be increased by \$4,759,400 which includes dental services (20,016 x \$157 = \$3,142,512) and additional staff (\$1,616,888).

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible.

James W. White, Executive Director

/kml